

BUDD-FALEN LAW OFFICES, P.C.

623 West 20th Street
Post Office Box 346
Cheyenne, WY 82003

Telephone (307) 632-5105
Telefax (307) 632-0401

Karen Budd-Falen
Franklin J. Falen

Daniel B. Frank
Vance E. Haug*
*Admitted in Nebraska

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September 28, 1994

CERTIFIED/RETURN RECEIPT

District Manager
Moab District
Bureau of Land Management Office
P.O. Box 970
Moab, UT 84532

Re: Pene Mining; Pussycat Placer Claims (U.M.C. Lead File 277243); Kelli Jo Lode Claims (U.M.C. Lead File 343404)

Dear District Manager:

Pursuant to 43 C.F.R. § 3809.1-3 and on behalf of Pene Mining, this letter constitutes Notice of a Proposed Mining Operation with the disturbance of five (5) acres or less. The following statement complies with the regulations at 43 C.F.R. § 3809.1-3:

1. The mining claimant and operator is:

Pene Mining
P.O. Box 4017
Grand Junction, Colorado 81502
303/243-4473

2. The mining claims upon which operations are planned are the Pussycat Placer claims numbers 1, 2, 3 and 4 and the Kelli Jo Lode claims numbers 2, 3, 4, 6, 7 and 8.

3. The following activities are planned:

- a. Less than five (5) acres will be disturbed at one time.
- b. The approximate date of commencement of production is October 30, 1994.
- c. Operator will use existing access routes for ingress and egress to the mining claims. No road upgrades are needed at this time.
- d. All ore will be processed off-site.

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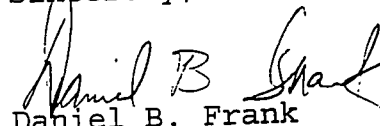
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4. Reclamation:

- a. Disturbed areas will be reclaimed to standards outlined in 43 C.F.R. § 3809.1-3(d).
- b. Operator will take reasonable measures to prevent unnecessary or undue degradation of the federal lands during mining operations of the above described claims.

If you have any questions, comments or concerns, please contact me.

Sincerely,



Daniel B. Frank
BUDD-FALEN LAW OFFICES, P.C.

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